



January 29, 2016

SENATE BILL No. 333

DIGEST OF SB 333 (Updated January 28, 2016 12:18 pm - DI 73)

Citations Affected: IC 4-10; IC 8-14; IC 8-14.5.

Synopsis: Transportation funding. Amends the statute concerning the use of excess state reserves to provide that, to the extent state reserves at the end of the state fiscal year ending June 30, 2016, are greater than 11.5% of general revenue appropriations, those excess reserves shall be transferred to the state highway fund for road and bridge repair. Specifies that this transfer shall be made from the state general fund. Specifies that when making this calculation in 2016, the office of management and budget may consider the balance in the state tuition reserve account when determining the amount of excess reserves. Provides that the current law applies to calculations concerning the use of excess state reserves in 2017 and each odd-numbered year thereafter. Provides that in addition to existing transfers of interest from the next generation trust fund, the treasurer of state shall transfer the first \$50,000,000 of interest accruing to the trust after March 15, 2016, to the state highway fund for the purposes of road and bridge repair. Provides that the Indiana finance authority may issue bonds or notes after April 30, 2017, for the construction of transportation projects.

Effective: Upon passage.

**Yoder, Hershman, Miller Patricia,
Arnold J, Ford, Merritt**

January 7, 2016, read first time and referred to Committee on Homeland Security & Transportation.

January 12, 2016, reported favorably — Do Pass; reassigned to Committee on Appropriations.

January 28, 2016, amended, reported favorably — Do Pass.

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January 29, 2016

Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

SENATE BILL No. 333

A BILL FOR AN ACT to amend the Indiana Code concerning transportation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-10-22-1, AS AMENDED BY P.L.213-2015,
2 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 1. (a) After the end of **the state fiscal year**
4 **beginning July 1, 2015, and ending June 30, 2016, and after the end**
5 **of** each odd-numbered state fiscal year **thereafter**, the office of
6 management and budget shall calculate in the customary manner the
7 total amount of state reserves as of the end of the state fiscal year. The
8 office of management and budget shall make the calculation not later
9 **than July 31, 2016, and not later** than July 31 of each odd-numbered
10 year **thereafter**.

11 (b) The office of management and budget may not consider a
12 balance in the state tuition reserve account established by
13 IC 4-12-1-15.7 when making the calculation required by subsection (a)
14 **in 2017 and in an odd-numbered year thereafter**.

15 SECTION 2. IC 4-10-22-2, AS AMENDED BY P.L.160-2012,
16 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 UPON PASSAGE]: Sec. 2. If:

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(1) the total amount of state reserves calculated by the office of management and budget exceeds:

(A) eleven and five-tenths percent (11.5%) of the general revenue appropriations for the current state fiscal year, in the case of a calculation made in calendar year 2016; or

(B) twelve and five-tenths percent (12.5%) of the general revenue appropriations for the current state fiscal year, in the case of a calculation made in 2017 and in an odd-numbered year thereafter; and

(2) the accounts payable by the state at the end of the preceding state fiscal year are not unusually large as a percentage of the total amount of state reserves (as compared to recent history);

the governor shall make a presentation to the state budget committee regarding the disposition of excess state reserves under section 3 of this chapter. The presentation must be made not later **than September 30, 2016, and not later than September 30, 2017, and not later than September 30 of each odd-numbered year thereafter.**

SECTION 3. IC 4-10-22-3, AS AMENDED BY P.L.91-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **(a) This subsection does not apply in calendar year 2016.** If, after completing the presentation to the state budget committee described in section 2 of this chapter, the amount of the excess reserves is fifty million dollars (\$50,000,000) or more, the governor shall do the following:

(1) If the year is calendar year 2013, transfer one hundred percent (100%) of the excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund. If the year is calendar year 2014 or **the calendar year is 2017 or an odd-numbered year** thereafter, transfer fifty percent (50%) of any excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund.

(2) If the year is calendar year 2014 or **the calendar year is 2017 or an odd-numbered year** thereafter, use fifty percent (50%) of any excess reserves for the purposes of providing an automatic taxpayer refund under section 4 of this chapter.

(b) This subsection applies in calendar year 2016. If excess reserves exist, and after completing the calculation required in section 1 of this chapter and the presentation to the state budget committee described in section 2 of this chapter, the governor shall transfer one hundred percent (100%) of the excess reserves to the state highway fund for road and bridge repair. This transfer shall



1 **be made from the state general fund.**

2 SECTION 4. IC 8-14-15-10, AS ADDED BY P.L.47-2006,
3 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 10. (a) The principal of the trust may not be
5 diminished during the term of the trust.

6 (b) The income that accrues from investment of the trust shall be
7 deposited in the trust.

8 (c) **Except as provided in subsection (d),** on March 15, 2011,
9 March 15, 2016, **March 15, 2021,** and March 15 every five (5) years
10 thereafter, the treasurer of state shall transfer all interest accruing to the
11 trust to the major moves construction fund.

12 **(d) In addition to transfers on the dates set forth in subsection**
13 **(c), the treasurer of state shall transfer the first fifty million dollars**
14 **(\$50,000,000) of interest accruing to the trust after March 15, 2016,**
15 **to the state highway fund for the purpose of road and bridge**
16 **repair.**

17 SECTION 5. IC 8-14.5-6-1 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Except as
19 provided in sections 2 and 5 of this chapter, the authority may, by
20 resolution, issue and sell bonds or notes of the authority for the purpose
21 of providing funds to carry out the provisions of this article with
22 respect to the construction of a project or projects or the refunding of
23 any bonds or notes, together with any reasonable costs associated with
24 a refunding. However, the authority may not issue any bonds or notes
25 for the construction of a project after July 1, 2007, **and before May 1,**
26 **2017. The authority may issue bonds or notes after April 30, 2017,**
27 **for the construction of a project.**

28 SECTION 6. An emergency is declared for this act.



COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security & Transportation, to which was referred Senate Bill No. 333, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 333 as introduced.)

YODER, Chairperson

Committee Vote: Yeas 7, Nays 0

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 333, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 4-10-22-1, AS AMENDED BY P.L.213-2015, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) After the end of **the state fiscal year beginning July 1, 2015, and ending June 30, 2016, and after the end of** each odd-numbered state fiscal year **thereafter**, the office of management and budget shall calculate in the customary manner the total amount of state reserves as of the end of the state fiscal year. The office of management and budget shall make the calculation not later **than July 31, 2016, and not later** than July 31 of each odd-numbered year **thereafter**.

(b) The office of management and budget may not consider a balance in the state tuition reserve account established by IC 4-12-1-15.7 when making the calculation required by subsection (a) **in 2017 and in an odd-numbered year thereafter**.

SECTION 2. IC 4-10-22-2, AS AMENDED BY P.L.160-2012, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. If:

(1) the total amount of state reserves calculated by the office of management and budget exceeds:

(A) eleven and five-tenths percent (11.5%) of the general revenue appropriations for the current state fiscal year, in the case of a calculation made in calendar year 2016; or

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(B) twelve and five-tenths percent (12.5%) of the general revenue appropriations for the current state fiscal year, **in the case of a calculation made in 2017 and in an odd-numbered year thereafter;** and

(2) the accounts payable by the state at the end of the preceding state fiscal year are not unusually large as a percentage of the total amount of state reserves (as compared to recent history);

the governor shall make a presentation to the state budget committee regarding the disposition of excess state reserves under section 3 of this chapter. The presentation must be made not later **than September 30, 2016, and not later than September 30, 2017, and not later than September 30** of each odd-numbered year **thereafter**.

SECTION 3. IC 4-10-22-3, AS AMENDED BY P.L.91-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) **This subsection does not apply in calendar year 2016.** If, after completing the presentation to the state budget committee described in section 2 of this chapter, the amount of the excess reserves is fifty million dollars (\$50,000,000) or more, the governor shall do the following:

(1) If the year is calendar year 2013, transfer one hundred percent (100%) of the excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund. If the year is calendar year 2014 or **the calendar year is 2017 or an odd-numbered year** thereafter, transfer fifty percent (50%) of any excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund.

(2) If the year is calendar year 2014 or **the calendar year is 2017 or an odd-numbered year** thereafter, use fifty percent (50%) of any excess reserves for the purposes of providing an automatic taxpayer refund under section 4 of this chapter.

(b) **This subsection applies in calendar year 2016. If excess reserves exist, and after completing the calculation required in section 1 of this chapter and the presentation to the state budget committee described in section 2 of this chapter, the governor shall transfer one hundred percent (100%) of the excess reserves to the state highway fund for road and bridge repair. This transfer shall be made from the state general fund."**

Page 2, delete lines 1 through 31.

Page 3, delete lines 5 through 13, begin a new paragraph and insert:

"SECTION 5. IC 8-14.5-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Except as



provided in sections 2 and 5 of this chapter, the authority may, by resolution, issue and sell bonds or notes of the authority for the purpose of providing funds to carry out the provisions of this article with respect to the construction of a project or projects or the refunding of any bonds or notes, together with any reasonable costs associated with a refunding. However, the authority may not issue any bonds or notes for the construction of a project after July 1, 2007, **and before May 1, 2017. The authority may issue bonds or notes after April 30, 2017, for the construction of a project."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 333 as printed January 13, 2016.)

KENLEY, Chairperson

Committee Vote: Yeas 11, Nays 0.

